

# **MERLIN INDUSTRIAL DEVELOPMENT LIMITED**

**7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, Kolkata 700072**

## **NOTICE**

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of MERLIN INDUSTRIAL DEVELOPMENT LIMITED will be held on Friday, the 6<sup>th</sup> September, 2013 at 11.00 A.M. at its registered office at 7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, Kolkata- 700072 to transact the following ordinary business:

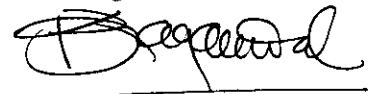
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Audited Profit and Loss Account for the year ended on that date together with Auditors' Report and Director's Report thereon.
2. To appoint a Director in place of Sri Apurva Salarpuria, who retires by rotation and being eligible, offers himself for re-appointment as the director of the Company.
3. To appoint Auditors and fix their remuneration.

By Order of the Board,

For Merlin Industrial Development Limited

Place: Kolkata

Dated: 31<sup>st</sup> May, 2013



Director

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
2. Register of Members and Share Transfer Books shall remain closed from the 3<sup>rd</sup> September, 2013 to the 6<sup>th</sup> September, 2013 (both days inclusive).

3. Members holding shares in dematerialized form are requested to bring their Client ID Number and DP ID Number for easy identification of attendance at the meeting.
4. The Registrar and Share Transfer Agent of the Company is NICHIE TECHNOLOGIES PRIVATE. LIMITED. of D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata : 700001.
5. The Equity Shares of the Company are listed at The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata-700 001 The annual listing fees for the year 2013-2014 has been paid to the Stock Exchange .

# MERLIN INDUSTRIAL DEVELOPMENT LIMITED

7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, Kolkata 700072

## DIRECTORS' REPORT

To  
The Members,

Your Directors have great pleasure in presenting their 30<sup>th</sup> Annual Report together with a statement of accounts for the year ended 31<sup>st</sup> March 2013.

### PROFIT/(LOSS), DIVIDENDS AND SURPLUS:

The Financial Results of the Company's working during the year is summarized below:

PROFIT/ (LOSS)	2012-2013 Rs.	2011-2012 Rs.
Profit/(Loss) before Tax	(19,08,460)	(44,95,267)
Tax Expense		
- Current Tax	---	---
- Deferred Tax	(244)	(300)
- Income Tax for earlier years	1,05,132	2,060
Profit/ (Loss) for the Year	(20,13,348)	(44,97,027)

### SURPLUS IN STATEMENT OF PROFIT AND LOSS:

At the beginning of the year	1, 12, 64,006	1, 57, 61,033
Profit/( Loss) for the year	(20,13,348)	(44,97,027)
Transfer to RBI Reserve Fund	---	---
At the end of the year	92, 50,658	1, 12, 64,006

### DIVIDENDS:

In view of the loss, your Directors are unable to consider Dividend for the financial year 31.03.2013.

### DEMATERIALISATION OF SHARES:

The Securities & Exchange Board of India (SEBI) has made it mandatory for all the investors to trade in the equity shares of the Company on the Stock Exchanges only in demat form and for the purpose the Company has entered into an agreement with National Securities Depository Limited and Central Depository Services (India) Limited to facilitate the investors to trade in the equity shares in dematerialized form.

N.C.  
B

### **ADEQUACY OF INTERNAL CONTROL:**

The Company has a proper and adequate system of internal control to ensure that all activities are monitored and controlled against any authorized use or disposition of assets, and that the transactions authorized, recorded and reported correctly.

The Company also ensures adherence to all internal control policies and procedure as well as compliances with all the regulatory guidelines.

### **PUBLIC DEPOSIT:**

During the year, the Company has not accepted any deposit from the Public.

### **DIRECTORS:**

Sri Apurva Salarpuria, Director of the Company retire by rotation at this Annual General Meeting and being eligible offer himself for reappointment.

### **AUDITORS:**

Lihala & Co., Statutory Auditors of the Company, retires, and being eligible, offers themselves for re-appointment.

### **AUDITORS' REPORT:**

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further explanation under Section 217(3) of the Companies Act, 1956.

### **COMPLIANCE CERTIFICATE:**

Copy of Compliance Certificate from M.P.KABRA & CO, Company Secretaries, as required under Section 383A of the Companies Act, 1956 is attached and form a part of this report.

### **INFORMATION REQUIRED UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:**

#### **(A) Conservation of Energy**

Not applicable to the Company

#### **(B) Technology Absorption**

Not applicable to the Company

Expenditure on Research and Development – Nil

#### **(C) Foreign Exchange Earnings and Outgo:**

Earnings	-	Nil
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Outgo	-	Nil
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### **PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956:**

There was no employee who was in receipt of remuneration as required to be disclosed under Section 217 (2A) of the Companies Act, 1956.

N/C  
B

**NBFC AUDITORS' REPORT (RESERVE BANK) DIRECTIONS, 2008:**

In view of the Directions issued by Reserve Bank of India, the Auditors have given their report to the above effect which is self-explanatory.

**RBI RESERVE FUND:**

During the year under review due to loss the Company was not required to transfer any amount to RBI Reserve Fund under Section 45IC of Reserve Bank of India Act, 1934..

**DIRECTORS RESPONSIBILITY STATEMENT:**

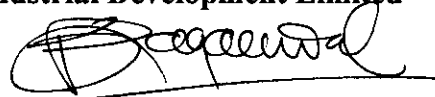
As required under Section 217 (2AA) of the Companies Act, 1956, Your Directors state -

1. That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2013 the applicable accounting standards have been followed and there are no material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at the end of the financial year and of the loss of the Company for that period;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts for the financial year ended 31<sup>st</sup> March, 2013 have been prepared on a going concern basis.

**APPRECIATION:**

The Directors wish to thank all the bankers, employees and other persons concerned with the Company for their utmost co-operation extended to the Company.

By Order of the Board,  
For Merlin Industrial Development Limited



Purushottam Lal Agarwal,  
Director

Place: Kolkata  
Date: 31<sup>st</sup> May, 2013



Apurva Salarpuria,  
Director

# MERLIN INDUSTRIAL DEVELOPMENT LIMITED

7, Chittaranjan Avenue, 3<sup>rd</sup> Floor, Kolkata 700072

I/We \_\_\_\_\_ of  
\_\_\_\_\_ being member(s) of the above  
named Company hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ as my/our proxy to attend and vote  
for me/us on my/our behalf at the 30<sup>th</sup> Annual General Meeting of **MERLIN  
INDUSTRIAL DEVELOPMENT LIMITED** to be held on Friday, the 6<sup>th</sup> September, 2013 at  
11.00 A.M. at 7, Chitaranjan Avenue, 3<sup>rd</sup> Floor, Kolkata 700 072 and at any  
adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Affix  
Revenue  
Stamp  
Here

Signature of the Shareholder \_\_\_\_\_  
No. of shares held \_\_\_\_\_ Regd. Folio No. \_\_\_\_\_  
DPID Number.....Client ID Number.....

## Notes:

- (i) Proxy forms in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the meeting.
- (ii) A person who is not a member of the Company may be appointed a proxy.

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF MERLIN INDUSTRIAL DEVELOPMENT LIMITED**

We have audited the accompanying financial statements of **MERLIN INDUSTRIAL DEVELOPMENT LIMITED**, ("The Company") which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956(the Act). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the **LOSS** for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



(2)

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of the written representations received from directors of the Company as at 31st March, 2013 and taken on record by the Board of Directors, we report that no director is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Place: 11, Crooked Lane,  
Kolkata - 700 069

Date: 31<sup>st</sup> day of May, 2013



For Lihala & Co.  
Chartered Accountants  
Firm Registration No. 315052E

*R. Lihala*

R. Lihala  
Partner  
Membership No. 52138

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT***(Referred to in Paragraph 1 of our Report of even date)*

With reference to the Annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of **MERLIN INDUSTRIAL DEVELOPMENT LIMITED** on the financial statement for the year ended 31st March, 2013, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has physically verified its fixed assets. No material discrepancies were noticed on such verification.  
(c.) No fixed assets have been disposed off during the year.
- ii. (a) The inventory has been physically verified by management during the current year. In our opinion, the frequency of such verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventories and no discrepancies were noticed on verification.
- iii. (a) The company has not granted any loan secured or unsecured to companies, firms and other parties covered in the register maintained under Section 301 of the Act, so question of receiving the principle amount and interest thereon does not arise.  
(b) According to the information and explanations given to us, the company has taken loan from one company covered in the register maintained under Section 301 of the Companies Act, 1956. In respect of the said company maximum amount outstanding at any time during the year is Rs. 4,00,000.00 and year end balance is Rs. NIL. (Previous year Rs. 4,130.00).  
(c.) In our opinion, the rate of interest and other terms and conditions on which loans have been given to / taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the Company.  
(d) The company is regular in repaying the principle amounts as stipulated and has been regular in the payment of interest.  
(e) The question of overdue payment of more than Rs 1 lakh does not arise as the loan taken or given are in accordance with mutual consent.
- iv. In our opinion, and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase and sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- v. (a) To the best of our knowledge and belief and according to the information and explanations given to us, the contracts or arrangements that needed to be entered into the register maintained under Section 301 of the Companies, Act, 1956 have been so entered.



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- (b) According to the information and explanations given to us, transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at that relevant time.
- vi. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from Public under section 58A and 58 AA of the Companies Act, 1956.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. In our opinion, and according to the information and explanations given to us, maintenance cost records under Section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government in case of this company.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other dues applicable to it with the appropriate authority.
- (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax/custom duty/wealth tax/cess/excise duty were outstanding as at 31.03.2013 for a period of more than six months from the date they become payable.
- (c) According to the records of the company, there are no dues of income tax, custom duty and other statutory dues which have not been deposited on account of any dispute, other than following:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	52110.00	Assessment Year 2010-11	Rectification U/s 154 submitted
		<b>52110.00</b>		

- x. In our opinion, the company did not have accumulated losses as at 31<sup>st</sup> March, 2013. The company has incurred cash losses of Rs. 19,01,048.68 during the financial year covered by our audit and Rs. 44,86,471.93 in the immediately preceding financial year.
- xi. The company has not taken loan from financial institution or bank during the year. The company has not issued any debenture during the year.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore the provision of clause 4 (xiii) of the Companies (Auditors Report) (Amendment) Order, 2004 are not applicable to the company.
- xiv. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name.



Contd. ..

# LIHALA & CO.

CHARTERED ACCOUNTANTS

11, Crooked Lane, Kolkata-700 069

Telefax : 2248-7109, 2243-5095

E-mail : lihalaco@yahoo.co.in

(3)

- xv. In our opinion, the company has not given any guarantee for loan taken by others from bank and financial institutions.
- xvi. The company has not taken any term loan during the year.
- xvii. According to the information and explanations given to us, the funds raised on short term basis have not been used for long term investment.
- xviii. According to information given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company did not have outstanding debentures during the year. Accordingly, no securities have been created.
- xx. The Company has not raised any money by public issues during the year and hence question of disclosure and verification of end use of such money does not arise.
- xxi. According to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: 11, Crooked Lane,  
Kolkata – 700 069

Date: 31<sup>st</sup> day of May, 2013



For Lihala & Co.  
Chartered Accountants  
Firm Registration No. 315052E

R. Lihala  
Partner  
Membership No. 52138

**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No.	Figures as at 31.03.2013 ₹	Figures as at 31.03.2012 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	1,08,70,000.00	1,08,70,000.00
(b) Reserves and Surplus	3	2,44,92,198.53	2,65,05,546.21
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	4	2,073.00	2,317.00
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	5	-	4,130.00
(b) Other Current Liabilities	6	7,978.00	6,973.36
(c) Short Term Provisions	7	11,57,600.00	11,57,600.00
<b>Total</b>		<b>3,65,29,849.53</b>	<b>3,85,46,566.57</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	8	44,132.00	51,543.00
(b) Non-Current Investments	9	87,55,679.44	92,27,709.95
(c) Long Term Loans and Advances	10	19,21,758.50	22,71,575.50
<b>(2) Current Assets</b>			
(a) Inventories	11	2,11,32,853.00	2,31,49,770.14
(b) Cash and Cash Equivalents	12	1,75,426.59	4,45,967.98
(c) Other Current Assets	13	45,00,000.00	34,00,000.00
<b>Total</b>		<b>3,65,29,849.53</b>	<b>3,85,46,566.57</b>

Significant Accounting Policies and Notes on Financial Statement

1 to 35

**For LIHALA & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Registration No. 315052E )

FOR & ON BEHALF OF BOARD

*R. Lihal*  
**(R. LIHALA)**  
**PARTNER**

**Membership No.52138**

Place : 11, Crooked Lane

Kolkata 700 069,

The 31<sup>st</sup> day of May, 2013



*A. S. Ghosh*  
Director

*B. Ghosh*  
Director

**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH ,2013**

Particulars	Note No.	Figures as at 31.03.2013 ₹	Figures as at 31.03.2012 ₹
I. Revenue from operations	14	63,18,972.73	1,59,16,359.23
II. Other Income	15	8,33,531.76	8,93,858.40
<b>III, Total Revenue ( I + II )</b>		<b>71,52,504.49</b>	<b>1,68,10,217.63</b>
IV. Expenses			
Purchase of Stock -in - Trade	16	67,48,286.40	1,31,67,737.55
Changes in Inventories of Stock-in-trade.	17	20,16,917.14	79,23,341.36
Employee Benefit Expenses	18	1,47,336.00	50,854.00
Finance Cost	19	741.00	4,130.00
Depreciation and amortization expense	20	7,411.00	8,795.00
Other expenses	21	1,40,272.63	1,50,626.65
<b>Total Expenses (IV)</b>		<b>90,60,964.17</b>	<b>2,13,05,484.56</b>
V. Profit before tax ( III - IV )		<b>(19,08,459.68)</b>	<b>(44,95,266.93)</b>
VI. Tax expense :			
(1) Current tax		-	-
(2) Deferred tax		(244.00)	(300.00)
(3) Income Tax for Earlier Years		1,05,132.00	2,060.00
		1,04,888.00	1,760.00
VII. Profit / (loss) after tax for the year ( V - VI )		<b>(20,13,347.68)</b>	<b>(44,97,026.93)</b>
VIII. Earning per equity share:			
(1) Basic		(1.85)	(4.14)
(2) Diluted		(1.85)	(4.14)

Significant Accounting Policies and Notes on  
Financial Statement

1 to 35

**For LIHALA & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Registration No. 315052E )

FOR & ON BEHALF OF BOARD

*R. Lihal*

**(R. LIHALA)**  
**PARTNER**

**Membership No.52138**

Place : 11, Crooked Lane  
Kolkata 700 069,

The 31<sup>st</sup> day of May , 2013



*A. S. Ghosh*

Director

*B. S. Ghosh*

Director

**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**

**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013**

Particulars	31.03.2013 ₹	31.03.2012 ₹
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit/(Loss) before tax and extraordinary items	(19,08,459.68)	(44,95,266.93)
Adjustment for Depreciation	7,411.00	8,795.00
Profit on Sale of Investments (Net )	(4,53,846.76)	(2,54,637.40)
<b>Operating Profit/(Loss) before working Capital Changes</b>	<b>(23,54,895.44)</b>	<b>(47,41,109.33)</b>
<u>Adjustments for</u>		
Other Current Assets	20,16,917.14	(34,00,000.00)
Inventories	-	79,23,341.36
Other current Liabilities	(11,00,000.00)	(13,978.64)
Trade Receivable	1,004.64	4,786.25
<b>Cash Generated from Operations</b>	<b>(14,36,973.66)</b>	<b>(2,26,960.36)</b>
Direct Taxes Paid	2,44,685.00	-
<b>Net Cash used in Operating activities</b>	<b>(11,92,288.66)</b>	<b>(2,26,960.36)</b>
<b>B Cash Flow from Investing Activities :</b>		
Purchase of Fixed Assets	-	-
Purchase of (Transfer to) Investments	-	-
Sale of Investments	9,25,877.27	533,469.28
<b>Net Cash from Investing Activities</b>	<b>9,25,877.27</b>	<b>5,33,469.28</b>
<b>C. Cash Flow from Financing Activities :</b>		
Unsecured Loan	(4,130.00)	(92,917.00)
<b>Net Cash used in Financing Activities</b>	<b>(4,130.00)</b>	<b>(92,917.00)</b>
<b>Net increase/(decrease) in cash or Cash Equivalents (A+B+C)</b>	<b>(2,70,541.39)</b>	<b>2,13,591.92</b>
Cash and Cash Equivalents as at (Opening Balance)	4,45,967.98	2,32,376.06
Cash and Cash Equivalents as at (Closing Balance)	1,75,426.59	44,596.98
	<b>(2,70,541.39)</b>	<b>2,13,591.92</b>

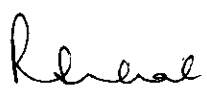
Note :

- 1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- 2 Schedule referred to above form an integral part of the Cash Flow Statement.
- 3 Previous Year's Figures have been re-arranged, regrouped wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

**For LIHALA & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Registration No.315052 E)


FOR AND ON BEHALF OF BOARD


  
**(R. LIHALA)**  
**PARTNER**  
**Membership No.52138**

Place : 11, Crooked Lane  
Kolkata 700 069.

The 31<sup>st</sup> day of May, 2013



  
Director

  
Director

**MERLIN INDUSTRIAL DEVELOPMENT LTD**  
**7,CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**NOTE : 1 SIGNIFICANT ACCOUNTING POLICIES :**

**1. a) Basis of the Preparation of Financial Statements :**

The Financial Statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India under the Historical Cost Convention on Accrual Basis except Dividend Income which is accounted on Cash Basis. GAAP comprises Mandatory Companies (Accounting Standard ) Rules, 2006 modified by the Central Government of India under Section -211 (3C) of the Companies Act,1956, other Pronouncements of Institute of Chartered Accountants of India, provisions of Companies Act, 1956 and Guide Lines issued by the Securities' and Exchange Board of India ( SEBI).

**b). Fixed Assets :**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use.

**c) Depreciation :**

Depreciation on Fixed Assets has been provided on written down value method adopting the rates specified in Schedule XIV, read with notes thereon as per Companies Act,1956 (as amended ) and as per Circular GSR - 756 (E) dated 16.12.1993.

**d) Stock-in-Trade :**

Stock-in-Trade of Shares and Mutual Fund are valued at cost or Market Price whichever is lower.

**e) Investments :**

Long Term Investments are valued at cost provisions are not being made for diminution in value of Investments being temporary in nature.

**f) Employee Benefits:**

Short Term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss to the year in which the related services are rendered.

**g) Sale of shares etc. are accounted for as and when the transaction takes place.**



Contd. ..

**MERLIN INDUSTRIAL DEVELOPMENT LTD**  
**7,CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**NOTE : 1 Contd. ..**

**h) Taxes on Income:**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax liability / Asset resulting from 'timing difference' between books and taxable Profit is accounted for considering the tax rate and laws that have been enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty of its realization.

**i) Provisioning on Standard Assets :**

In terms of Notification No. DNBS. 223/CGM (US) – 2011 dated 17<sup>th</sup> January, 2011 issued by the Reserve Bank of India, contingent provision @ 0.25% Standard Assets are made in the accounts, if applicable.

**j) Cash and Cash Equivalents :**

Cash and cash equivalents includes Cash on hand and at Bank, demand deposits with banks, cheques on hand and other short term highly liquid investments with an original maturity of three months or less.

**k) Earnings Per Share :**

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item, if any. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013	As at 31.03.2012
	₹	₹

**Note : 2 SHARE CAPITAL**

**Authorised Share Capital**

1100000 (P.Y.1100000) Equity Shares of Rs.10/- each	1,10,00,000.00	1,10,00,000.00
	<u>1,10,00,000.00</u>	<u>1,10,00,000.00</u>

**Issued subscribed and paid up**

1087000 (P.Y. 1087000) Equity Shares of Rs.10/- each fully paid up	1,08,70,000.00	1,08,70,000.00
	<u>1,08,70,000.00</u>	<u>1,08,70,000.00</u>

The company has issued only one class of shares referred at as Equity Shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently, the distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of the number of shares outstanding**

**Equity Shares**

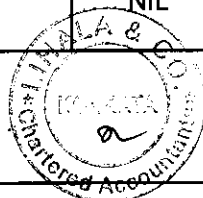
**Particulars**

Number of shares at the beginning of the year  
Add / Less: During the year  
Number of shares at the end of the year

As at 31.03.2013 No.	As at 31.03.2012 No.
1087000	1087000
<b>1087000</b>	<b>1087000</b>

**DETAILS OF EQUITY SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY :**

Sl.No.	Name of Shareholder	As at 31.03.2013		As at 31.03.2012	
		% of share holding	No. of Shares held	% of share holding	No. of Shares held
	---	NIL	NIL	NIL	NIL



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013 ₹	As at 31.03.2012 ₹
<b>Note : 3 <u>RESERVES AND SURPLUS</u></b>		
<b><u>Securities Premium Reserve (A)</u></b>		
Opening Balance	68,00,000.00	68,00,000.00
Addition	-	-
Deduction	-	-
Closing Balance	<u>68,00,000.00</u>	<u>68,00,000.00</u>
<b><u>RBI Reserve Fund (B)</u></b>		
Opening Balance	36,92,100.00	36,92,100.00
Add: Addition during the year	-	-
Closing Balance	<u>36,92,100.00</u>	<u>36,92,100.00</u>
<b><u>General Reserve (C)</u></b>		
Opening Balance	47,49,440.00	47,49,440.00
Add: Addition during the year	-	-
Closing Balance	<u>47,49,440.00</u>	<u>47,49,440.00</u>
<b><u>Surplus Account (D)</u></b>		
Opening Balance	1,12,64,006.21	1,57,61,033.14
Add: Net Profit after Tax transferred from Statement of Profit and loss	<u>(20,13,347.68)</u>	<u>(44,97,026.93)</u>
	92,50,658.53	1,12,64,006.21
Less: Trasfer to RBI Reserve Fund	-	-
Closing Balance	<u>92,50,658.53</u>	<u>1,12,64,006.21</u>
<b>TOTAL (A +B+C+D)</b>	<b><u>2,44,92,198.53</u></b>	<b><u>2,65,05,546.21</u></b>

**Note : 4 DEFERRED TAX LIABILITY (NET)**

<b><u>Deferred Tax Liability</u></b>		
Opening Balance	2,317.00	2,617.00
Addition	-	-
Deduction	<u>244.00</u>	<u>300.00</u>
Closing Balance	<u>2,073.00</u>	<u>2,317.00</u>



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013	As at 31.03.2012
	₹	₹

**Note : 5 SHORT TERM BORROWINGS**

Loans & Advances from related parties

Loan (Unsecured )	-	4,130.00
(as per note no. 34)		
	<u>-</u>	<u>4,130.00</u>

Loans represents the amount received form one of the related party on interest @ 9% p.a and total amount shown above includes the unpaid interest net of tax added with principal amount at the end of the year.

**Note : 6 OTHER CURRENT LIABILITIES**

Other payables

Audit Fees Payable	7,978.00	6,854.00
Demat Charges Payable	-	119.36
Income Tax Deduction	-	-
	<u>7,978.00</u>	<u>6,973.36</u>

**Note : 7 SHORT TERM PROVISIONS**

Others

Provision for Income Taxes *	11,57,600.00	11,57,600.00
	<u>11,57,600.00</u>	<u>11,57,600.00</u>

\* Represents accumulated balance of provision for Income-tax of earlier years

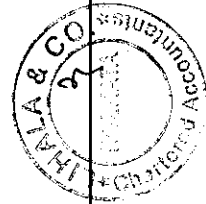


**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

**Note : 8 FIXED ASSETS**

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01.04.2012 ₹	Additions ₹	Deductions/ Adjustments ₹	Total as at 31.03.2013 ₹	As at 01.04.2012 ₹	For the Year ₹	Deductions/ Adjustments ₹	Total Upto 31.03.2013 ₹	As at 31.03.2013 ₹	As at 31.03.2012 ₹
<b>TANGIBLE ASSETS</b>										
Furniture & Fixtures	6,327.15	-	-	6,327.15	6,284.15	8.00	-	6,292.15	35.00	43.00
Air Conditioner	1,03,500.00	-	-	1,03,500.00	52,917.00	7,036.00	-	59,953.00	43,547.00	50,583.00
Computer	25,680.00	-	-	25,680.00	24,763.00	367.00	-	25,130.00	550.00	917.00
<b>Total</b>	<b>1,35,507.15</b>	<b>-</b>	<b>-</b>	<b>1,35,507.15</b>	<b>83,964.15</b>	<b>7,411.00</b>	<b>-</b>	<b>91,375.15</b>	<b>44,132.00</b>	<b>51,543.00</b>
<b>Previous Year</b>	<b>1,35,507.15</b>	<b>-</b>	<b>-</b>	<b>1,35,507.15</b>	<b>75,169.15</b>	<b>8,795.00</b>	<b>-</b>	<b>83,964.15</b>	<b>51,543.00</b>	



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
7, CHITTARANJAN AVENUE, KOLKATA 700 072

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

**Note : 9 NON-CURRENT INVESTMENTS**

Sl. No.	Particulars	Subsidiary/ Associate/JV Controlled Entity/ Others	Face Value ₹	As At 31.03.2013		As At 31.03.2012	
				No. of Shares	Amount ₹	No. of Shares	Amount ₹
A) <u>Investment in Equity Shares (Quoted)( At Cost )</u>							
1	Aditya Birla Nuvo Ltd.	Others	10.00	1000	4,80,740.95	1000	4,80,740.95
2	BHEL	Others	2.00	2000	3,83,156.00	2000	3,83,156.00
3	Development Credit Bank Ltd(DCB)	Others	10.00	7,000	1,31,950.00	7,000	1,31,950.00
4	Easun Capital Markets Ltd.	Others	10.00	172083	8,51,000.00	172083	8,51,000.00
5	Himachal Futur. Comm. Ltd.	Others	1.00	10000	2,45,850.00	10000	2,45,850.00
6	Hotel Leela Venture Ltd	Others	2.00	10000	1,86,500.00	10000	1,86,500.00
7	IDBI Bank Ltd	Others	10.00	1000	68,370.00	1000	68,370.00
8	The Indian Hotels Co Ltd.	Others	1.00	3000	2,03,541.99	3000	2,03,541.99
9	Nagarjuna Fertilizers & Chemicals Ltd.	Others	1.00	9900	1,30,500.00	9900	1,30,500.00
10	Nagarjuna Oil Refinery Ltd.	Others	1.00	9000	-	9000	-
11	Rico Auto Industries Ltd.	Others	1.00	5000	3,67,750.00	6000	4,41,280.51
12	Reliance Power Ltd.	Others	10.00	1250	1,38,100.00	1250	1,38,100.00
13	Shanthi Gears Ltd.	Others	1.00	-	-	5000	1,28,500.00
14	South Indian Bank. Ltd.	Others	1.00	50000	1,61,218.00	50000	1,61,218.00
15	Spice Jet Ltd.	Others	10.00	15000	16,56,672.50	15000	16,56,672.50
16	Steel Authority of India Ltd.	Others	10.00	5000	3,60,850.00	5000	3,60,850.00
17	The Lakshmi Vilas Bank Ltd	Others	10.00	5500	2,97,000.00	10500	5,67,000.00
18	Timken (India) Ltd.	Others	10.00	1000	1,46,330.00	1000	1,46,330.00
Total : 'A'				307733	58,09,529.44	318733	62,81,559.95

**B) Investment in Equity Shares (Unquoted)( At Cost )**

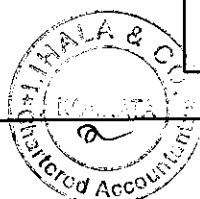
1	Baid Finex Services Pvt. Ltd.	Others	10.00	210000	2,10,000.00	210000	2,10,000.00
2	Baid Trade Fina Pvt. Ltd.	Others	10.00	100000	1,00,000.00	100000	1,00,000.00
3	Belfast Holdings Pvt. Ltd.	Others	10.00	110000	1,21,000.00	110000	1,21,000.00
4	Canton Properties Pvt. Ltd.	Others	10.00	140000	1,54,000.00	140000	1,54,000.00
5	Rakshakali Realtors Pvt. Ltd	Others	10.00	500	5,000.00	500	5,000.00
6	Right Aid Associates Pvt. Ltd.	Others	10.00	189900	2,07,400.00	189900	2,07,400.00
7	Salarpuria Developers Pvt. Ltd.	Others	10.00	15750	28,000.00	15750	28,000.00
8	Salarpuria Properties Pvt. Ltd.	Others	10.00	260000	19,64,000.00	260000	19,64,000.00
9	Shivgauri Jewellers Pvt. Ltd.	Others	10.00	107500	1,20,250.00	107500	1,20,250.00
10	Vaishali Papers Pvt. Ltd.	Associate	10.00	20000	36,500.00	20000	36,500.00
Total : 'B'				<b>1153650</b>	<b>29,46,150.00</b>	<b>1153650</b>	<b>29,46,150.00</b>

Total ("A" + "B")

As At 31.03.2013		As At 31.03.2012	
Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
58,09,529.44	53,52,774.20	62,81,559.95	66,36,261.70
29,46,150.00	NA	29,46,150.00	NA

Aggregate Value of Quoted Investment

Aggregate Value of Un-Quoted Investment



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
7, CHITTARANJAN AVENUE, KOLKATA 700 072

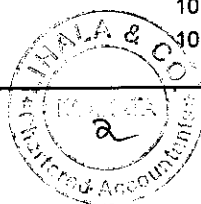
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013 ₹	As at 31.03.2012 ₹
<b>Note :10 LONG TERM LOANS AND ADVANCES</b>		
<b>OTHERS</b>		
Tax Deducted at Source	6,40,062.50	6,40,062.50
Advance Income Tax	12,81,696.00	16,31,513.00
	<b>19,21,758.50</b>	<b>22,71,575.50</b>

**Note : 11 INVENTORIES**

Particulars	Face Value ₹	As At 31.03.2013		As At 31.03.2012	
		No. of Shares	Amount ₹	No. of Shares	Amount ₹
<b>A) Stock of Shares</b> (Valued at Cost or Market Price whichever is lower )					
1 Aurobindo Pharmaceuticals Ltd.	1.00	4000	4,76,000.00	6000	7,14,000.00
2 Baid Trade Fina Pvt. Ltd.	10.00	105000	1,05,000.00	105000	1,05,000.00
3 BHEL	2.00	6500	11,50,500.00	6500	16,71,475.00
4 Bilcare Ltd.	10.00	5000	4,21,750.00	5000	8,81,000.00
6 Ceat Limited	10.00	-	-	500	44,525.00
7 Central Bank of India	10.00	3000	2,00,100.00	-	-
7 Cimmco. Ltd.	10.00	2561	58,903.00	4000	1,61,000.00
8 Cipla Limited	2.00	-	-	2000	6,10,200.00
9 Dabur India Ltd.	1.00	-	-	2000	1,92,200.00
10 Dena Bank	10.00	2000	1,79,000.00	-	-
11 Development Credit Bank Ltd.	10.00	18000	7,74,000.00	18000	8,10,000.00
12 Dhanlakshmi Bank	10.00	3500	1,60,125.00	5000	3,26,900.00
13 Easun Reyrolle Ltd.	2.00	2500	1,48,750.00	3000	1,78,500.00
14 Elecon Engineering Co. Ltd.	2.00	3000	92,250.00	3000	1,84,500.00
15 Everest Kanto Cylinder Ltd.	2.00	8000	1,62,400.00	8000	2,32,800.00
16 Hexa Tradex Ltd	2.00	800	21,560.00	800	42,691.44
17 Hindustan Construction Co. Ltd.	1.00	50000	6,82,500.00	40000	10,28,000.00
18 Hindustan Dorr Oliver Ltd.	2.00	3000	41,850.00	3000	1,05,300.00
19 I D B I Bank Ltd.	10.00	6000	4,81,500.00	6000	6,28,200.00
20 IDFC Limited	10.00	4000	5,40,000.00	5500	7,42,500.00
21 Indian Overseas Bank	10.00	3000	1,95,150.00	3000	2,82,900.00
22 Jindal Saw Ltd.	2.00	4000	3,28,400.00	4000	6,97,800.00
23 Lakshmi Vilash Bank Ltd.	10.00	-	-	1000	85,050.00
24 Maharashtra Seamless Ltd.	5.00	1000	2,21,950.00	1000	3,25,900.00
25 N H P C Ltd.	10.00	5000	98,500.00	5000	98,500.00
26 Philips Carbon Black Ltd.	10.00	-	-	1500	1,67,925.00
27 Pipavav Defence and Offshore Engineering Co. Ltd.	10.00	6000	4,40,700.00	10000	7,82,270.00
28 Power Grid Corpn.of India Ltd	10.00	4500	4,30,380.00	5000	4,78,212.50
29 Punj Lloyd Ltd.	2.00	5000	2,76,000.00	5000	2,76,000.00
30 Reliance Industries Ltd.	10.00	2800	21,01,680.00	2800	21,01,680.00
31 Somany Ceramics Ltd.	2.00	-	-	10500	3,96,900.00
32 South Indian Bank Ltd.	1.00	20000	4,57,000.00	20000	4,57,000.00
33 Spicejet Ltd.	10.00	113000	26,61,150.00	113000	26,61,150.00
34 Tamil Nadu Newsprint & Papers Ltd.	10.00	-	-	3000	2,88,000.00

Contd....



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**

7, CHITTARANJAN AVENUE, KOLKATA 700 072

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013****Note : 11 INVENTORIES contd...**

Particulars	Face Value ₹	As At 31.03.2013		As At 31.03.2012	
		No. of Shares	Amount ₹	No. of Shares	Amount ₹
35 Tata Global Beverage Ltd.	1.00	2500	2,58,600.00	3000	2,88,170.00
36 Tata Steel Company Ltd.	10.00	500	1,56,425.00	500	1,67,371.50
37 Timken India Ltd.	10.00	7000	9,35,900.00	7000	14,22,799.70
38 UFLEX Limited	10.00	1500	1,08,975.00	1500	1,72,425.00
39 Union Bank of India	10.00	1500	2,11,125.00	1500	2,11,125.00
40 United Phosphorous Ltd.	2.00	13000	15,26,200.00	13000	16,91,300.00
41 Uttam Sugar Mills Ltd.	10.00	5000	82,750.00	5000	1,21,750.00
42 Vijaya Bank	10.00	5000	1,16,750.00	5000	1,16,750.00
<b>TOTAL (A)</b>		<b>427161</b>	<b>1,63,03,823.00</b>	<b>444600</b>	<b>2,19,49,770.14</b>

**B) MUTUAL FUNDS**

Valuation of Mutual Fund as on 31.03.2013

1 UTI Treasury Advantage Fund- Growth Plan Folio No : 505248787873	850.451	23,79,030.00	447.139	12,00,000.00
2 UTI Treasury Advantage Fund- Institutional Plan Growth Option Folio No : 505248787873	1594.710	24,50,000.00	-	-

**TOTAL (B)**

<b>2445.161</b>	<b>48,29,030.00</b>	<b>447.139</b>	<b>12,00,000.00</b>
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**TOTAL (A+B)**

<b>429606.161</b>	<b>2,11,32,853.00</b>	<b>445047.139</b>	<b>2,31,49,770.14</b>
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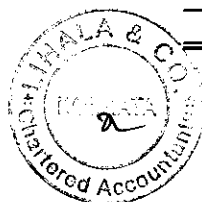
**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at	As at
	31.03.2013	31.03.2012
	₹	₹
<b>Note :12 CASH AND CASH EQUIVALENTS</b>		
<u>Cash and Bank Balances</u>		
Bank Balance with Current Account	1,63,171.53	4,37,929.92
Cash-on-Hand ( as Certified by the Management)	12,255.06	8,038.06
	<b>1,75,426.59</b>	<b>4,45,967.98</b>

**Note :13 OTHER CURRENT ASSETS**

<u>Others</u>		
Shares Application Money ( Refer Note No.34)	5,00,000.00	34,00,000.00
Advance against Property ( Refer Note No.33)	40,00,000.00	-
	<b>45,00,000.00</b>	<b>34,00,000.00</b>



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013	As at 31.03.2012
	₹	₹

**Note: 14 REVENUE FROM OPERATION**

Sale of Shares & Redemption of Mutual Fund	63,18,972.73	1,59,12,837.59
Share Trading Profit	-	3,521.64
	<b><u>63,18,972.73</u></b>	<b><u>1,59,16,359.23</u></b>

**Note: 15 OTHER INCOME**

Dividend Received	3,79,685.00	6,35,780.00
Sundry Balance Adjustment	-	3,441.00
Profit on Sale of Investment (Long Term)	4,53,846.76	2,54,637.40
	<b><u>8,33,531.76</u></b>	<b><u>8,93,858.40</u></b>

**Note: 16 PURCHASE OF STOCK IN TRADE**

Purchase of Shares & Mutual Fund	67,48,286.40	1,31,67,737.55
	<b><u>67,48,286.40</u></b>	<b><u>1,31,67,737.55</u></b>

**Note: 17 CHANGES IN INVENTORIES OF STOCK IN TRADE**

**Opening Stock**

Stock of Shares, Debenture	2,19,49,770.14	2,85,73,111.50
Mutual Fund	12,00,000.00	25,00,000.00

<b>TOTAL(A)</b>	<b><u>2,31,49,770.14</u></b>	<b><u>3,10,73,111.50</u></b>
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**Closing Stock**

Stock of Shares, Debenture	1,63,03,823.00	2,19,49,770.14
Mutual Fund	48,29,030.00	12,00,000.00

<b>TOTAL(B)</b>	<b><u>2,11,32,853.00</u></b>	<b><u>2,31,49,770.14</u></b>
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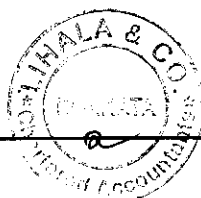
<b>(INCREASE) / DECREASE IN STOCK (A - B)</b>	<b><u>20,16,917.14</u></b>	<b><u>79,23,341.36</u></b>
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**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at 31.03.2013 ₹	As at 31.03.2012 ₹
<b>Note: 18 EMPLOYEE BENEFIT EXPENSES</b>		
Salary and Bonus	1,26,176.00	49,318.00
Stipend	21,160.00	-
Staff Welfare	-	1,536.00
	<b>1,47,336.00</b>	<b>50,854.00</b>
<b>Note: 19 FINANCE COST</b>		
Interest Paid	741.00	4,130.00
	<b>741.00</b>	<b>4,130.00</b>
<b>Note: 20 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible Assets	7,411.00	8,795.00
	<b>7,411.00</b>	<b>8,795.00</b>
<b>Note: 21 OTHER EXPENSES</b>		
Advertisement	12,257.00	13,141.00
Annual Depository Fee	13,482.00	13,236.00
Bank Charges	807.00	200.00
Computer Maintenance Charges	1,107.00	-
Document & Stamp	280.00	-
Demat Charges	4,696.61	5,368.82
Filing Fees	4,000.00	1,500.00
Income Tax Filing Fee	-	2,030.00
Listing & Stock Exchange Fee	11,797.00	11,581.50
Miscellaneous Exp.	2,556.00	8,969.00
<u>Payment to Auditors:</u>		
- As Auditor	7,978.00	6,854.00
- For Taxation Matters	-	-
- For Other Services	843.00	827.00
Postage & Telegram	2,579.00	90.00
Printing & Stationery	5,171.00	6,616.00
Professional Charges	33,236.00	26,133.00
Rates & Taxes	4,450.00	5,150.00
Repairing / Maintenance	7,209.00	7,158.00
Security Transaction Tax	6,218.10	19,367.00
Service Tax Expenses	1,768.26	3,872.62
Share Transfer Maintenance Fee	5,392.00	5,296.00
Sundry Balance Adjustment	-	11.03
Telephone Expenses	14,059.66	8,059.68
Travelling & Conveyance	386.00	5,166.00
	<b>1,40,272.63</b>	<b>1,50,626.65</b>



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**Note No.**

- 22 As Prescribed by Accounting Standard-17 issued by The Institute of Chartered Accountants of India segment reporting is not applicable to the company, since the company has got one segment only.
- 23 As prescribed by AS-22 by The Institute of Chartered Accountants of India, the deferred tax liability is on account of timing difference and total outstanding as on 31.03.2013 is Rs. 2073.00.
- 24 Income and Expenditure in Foreign currency NIL (NIL).
- 25 There is no amount outstanding payable to Investor's Education and Protection Fund as on 31st March 2013.
- 26 Based on the information available with the company, there is no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2013.
- 27 The company has no contingent liabilities as on the Balance Sheet Date.
- 28 In terms of Notification issued by the Reserve Bank of India Provision for Contingency on Standard Asset have not been provided as there is no outstanding balance of Standard Assets as on 31.03.2013.
- 29 As per management, provisions of the Gratuity Act are not applicable to the company at present.
- 30 Other additional information pursuant to the provision of Paragraph 3 & 4 of part 11 of Schedule VI of the Companies Act, 1956 are not applicable.
- 31 As per Accounting Standard (AS) 15 (Revised) "Employees Benefits" issued by The Institute of Chartered Accountants of India Short-term Employee Benefits are recognised as an expense at the undisclosed amount in the Statement of Profit & Loss to the year in which the related services are rendered.

Contd. ..



**MERLIN INDUSTRIAL DEVELOPMENT LIMITED**  
**7, CHITTARANJAN AVENUE, KOLKATA 700 072**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

**Note No.**

32

**Quantitative Details**

Particulars	Shares		Mutual Fund		Total	
	Quantity (Nos.)	Rs. P.	Quantity Units	Rs. P.	Quantity	Rs. P.
Opening Stock	444600 (4,27,200)	2,19,49,770.14 (2,85,73,111.50)	447.139 (1,009.738)	1200000.00 (25,00,000.00)	445047.139 (4,28,209.738)	2,31,49,770.14 (3,10,73,111.50)
Purchase / Conversion / Bonus	22004 (57,800)	13,73,286.40 (70,92,737.55)	2645.998 (2,328.746)	5375000.00 (60,75,000.00)	24649.998 (60,128.746)	67,48,286.40 (1,31,67,737.55)
Sales/Conversion/Redemption	39443 (40,400)	44,68,972.73 (83,98,959.65)	647.976 (2,891.345)	1850000.00 (75,13,877.94)	40090.976 (43,291.345)	63,18,972.73 (1,59,12,837.59)
Closing Stock	427161 (4,44,600)	1,63,03,823.00 (2,19,49,770.14)	2445.161 (447)	4829030.00 12,00,000.00	429606.161 (4,45,047.139)	2,11,32,853.00 (2,07,49,770.14)

33

The company has entered into an agreement with Golden Heart Realtors Pvt. Ltd. for purchase of land in West Bengal and made an advance of Rs. 40,00,000.00 as initial payment. The total capital commitments for the project is Rs. 56,96,400.00 and the balance amount of Rs. 16,96,400.00 will be paid on completion of all legal formalities and possession.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note No.

34 Related Party disclosure, as prescribed by Accounting Standard-18 issued by The Institute of Chartered Accountants of India is as below :

Srl. No.	Where common control exists	Relationship	Opening Balance as on 01.04.2012 ₹	Applied / Given during the year ₹	Refund / Repayment during the year ₹	Balance Amount as on 31.03.2013 ₹
a)	<b>Share Application Money (Applied)</b>					
1	Bengal Salarpuria Eden Infra Dev.Co. Pvt. Ltd.	Group Company	1,00,000.00	-	1,00,000.00	-
2	Compact Griha Nirman Pvt. Ltd.	Group Company	-	5,00,000.00	-	5,00,000.00
3	Improved Realtors Pvt Ltd.	Group Company	1,25,000.00	-	1,25,000.00	-
4	Krishnakripa Dwelling Pvt. Ltd.	Group Company	75,000.00	-	75,000.00	-
5	Lief Nirman Pvt. Ltd.	Group Company	31,00,000.00	-	31,00,000.00	-
	<b>TOTAL :</b>		<b>34,00,000.00</b>	<b>5,00,000.00</b>	<b>34,00,000.00</b>	<b>5,00,000.00</b>

Srl. No.	Where common control exists	Relationship	Opening Outstanding as on 01.04.2012 ₹	Addition during the year ₹	Payment made during the year ₹	Balance Outstanding as on 31.03.2013 ₹
b)	<b>Loan Taken</b>					
1	Salarpuria Investment Pvt. Ltd.	Group Company	4,130.00	4,80,741.00	4,84,871.00	-
	<b>TOTAL :</b>		<b>4,130.00</b>	<b>4,80,741.00</b>	<b>4,84,871.00</b>	<b>-</b>

Srl. No.	Where common control exists	Relationship	Amount as on 31.03.2013 ₹	Amount as on 31.03.2012 ₹
c)	<b>Advance Against Property</b>			
1	Golden Heart Realtors Pvt. Ltd.	Group Company	40,00,000.00	-
	<b>TOTAL :</b>		<b>40,00,000.00</b>	<b>-</b>
d)	<b>Investment in Shares</b>			
1	Vaishali Papers Pvt. Ltd.	Associates	36,500.00	36,500.00
	<b>TOTAL :</b>		<b>36,500.00</b>	<b>36,500.00</b>

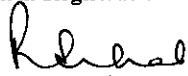
There have been no amount written off during the year.

35 **Earning Per Shares**

	2012 - 2013 (Rs. 2013347.68)	2011 - 2012 (Rs. 4497026.93)
Net Profit * & / (Loss) available to Equity Shareholder		
Average number of Equity Share of Rs.10/- each outstanding during the year	1087000	1087000
Earning per Share (Basic & Diluted )	(1.85)	(4.14)

Signature to the above Schedules.

For LIHALA & CO  
CHARTERED ACCOUNTANTS  
(Firm Registration No.315052 E)

  
(R. LIHALA)  
PARTNER

Membership No.52138  
Place : 11 Crooked Lane  
Kolkata 700069,

The 31<sup>st</sup> day of May, 2013.



FOR AND ON BEHALF OF BOARD

  
Director

  
Director

# LIHALA & CO.

CHARTERED ACCOUNTANTS

11, Crooked Lane, Kolkata-700 069  
Telefax : 2248-7109, 2243-5095  
E-mail : lihalaco@yahoo.co.in

Auditor's Report to the Board of Directors of MERLIN INDUSTRIAL DEVELOPMENT LIMITED as on 31.03.2013

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008" issued by Reserve Bank of India and on the basis of such checks, we hereby state that :-

- 1) The Company is engaged in the business of Non-Banking Financial Institution.
- 2) The Company has obtained the Certificate of Registration (COR) No. 05.00814 dated 11.03.1998 as granted by Reserve Bank of India.
- 3) Based on the terms of the assets and income patterns of the company as on 31<sup>st</sup> March, 2013 the company is entitled to continue to hold such certificate of registration.
- 4) The Board of Directors has passed a resolution in their meeting dated 12<sup>th</sup> April'2012, for non-acceptance of any public deposits.
- 5) The Company has not accepted any public deposits during the relevant year 2012-2013 and,
- 6) As per the Information and Explanation given to us the Company has complied with the prudential norms relating to income recognition, Accounting Standards, Assets classification and provisioning for Bad & Doubtful debts etc. as applicable to it.

FOR LIHALA & CO.  
CHARTERED ACCOUNTANTS  
(Firm Registration No: 315052E )

(R. LIHALA)  
PARTNER  
Membership No.52138  
11, Crooked Lane, Kolkata 700 069  
The 31<sup>st</sup> day of May, 2013.



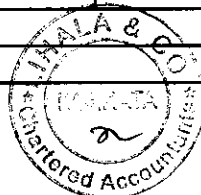
**Schedule to the Balance Sheet of Merlin Industrial Development Ltd. as required in terms Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007**

(Rs. In Lakhs)

Particulars			
<b>Liabilities Side :</b>		<b>As at 31.3.2013</b>	
		<b>Amount Out-standing</b>	<b>Amount Overdue</b>
(1)	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :		
	(a) Debentures : Secured	NIL	NIL
	: Unsecured.	NIL	NIL
	(Other than falling within the meaning of Public deposits)		
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits	NIL	NIL
	(g) Other Loans (From Shareholders and Directors)	NIL	NIL
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
	(c) Other public deposits	NIL	NIL
<b>Assets side :</b>			
		<b>Amount Outstanding</b>	
(3)	Break-Up of Loans and Advances including bills receivables (Other than those included in (4) below :		
	(a) Secured	NIL	
	(b) Unsecured	45.00	
(4)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under Sundry Debtors :		
	(a) Financial Lease	NIL	
	(b) Operating Lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets	NIL	
	(iii) Hypothecation Loans counting towards EL/HP activities :		
	(a) Loan where assets have been repossessed	NIL	
	(b) Loan other than (a) above.	NIL	



(5)	Break-up of Investments :			
	Current Investments			
	1 Quoted :			
	( i )	Shares :	(a) Equity	NIL
			(b) Preference	NIL
	( ii )	Debentures and Bonds		NIL
	( iii )	Units of mutual funds		NIL
	( iv )	Government Securities		NIL
	( v )	Others (Please specify)		NIL
	2 Unquoted :			
	( i )	Shares :	(a) Equity	NIL
			(b) Preference	NIL
	( ii )	Debentures and Bonds		NIL
	( iii )	Units of mutual funds		NIL
	( iv )	Government Securities		NIL
	( v )	Others (Please specify)		NIL
	Long Term Investments :			
	1 Quoted :			
	( i )	Shares :	(a) Equity	58.10
			(b) Preference	NIL
	( ii )	Debentures and Bonds		NIL
	( iii )	Units of mutual funds		NIL
	( iv )	Government Securities		NIL
( v )	Others (Please specify)		NIL	
2 Unquoted :				
( i )	Shares :	(a) 'A' Class Equity	29.46	
		(b) Equity	NIL	
		(c) Preference	NIL	
( ii )	Debentures and Bonds		NIL	
( iii )	Units of mutual funds		NIL	
( iv )	Government Securities		NIL	
( v )	Others (House Property)		NIL	
(6)	Borrower group-wise classification of all Leased Assets, Stock on hire and Loans and Advance :			
	Category	Amount net of Provisions		
		Secured	Unsecured	Total
1	Related Parties**			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	45.00	45.00
2	Other than related parties	NIL	NIL	NIL
	Total	NIL	45.00	45.00



(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value/ Break up or /fair value or NAV	Book Value (Net of Provisions)
	1 Related Parties**		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	2613.85	28.15
	(c) Other related parties	175.31	9.82
	2 Other than related parties	48.09	49.59
	Total	2837.25	87.56

\*\* As per Accounting Standard of ICAI (Please See Note 3)

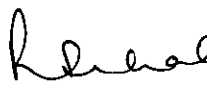
(8)	Other Information	
	Particulars	Amount.
	i) Gross Non-Performing Assets	NIL
	(a) Related Parties	NIL
	(b) Other than related Parties	NIL
	ii) Net Non-Performing Assets	NIL
	(a) Related Parties	NIL
	(b) Other than related Parties	NIL
	iii) Assets Acquired in satisfaction of debts	NIL

**Notes :**

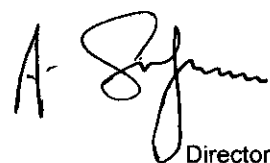
- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding ) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in ( 5 ) above.

For LIHALA & CO.  
**CHARTERED ACCOUNTANTS**  
(Firm Registration No: 315052E )

FOR AND ON BEHALF OF BOARD

  
(R. LIHALA)  
**PARTNER**  
Membership No.52138  
Place : 11, Crooked Lane,  
Kolkata - 700 069.  
Date : The 21<sup>st</sup> day of May ,2013.



  
Director

  
Director